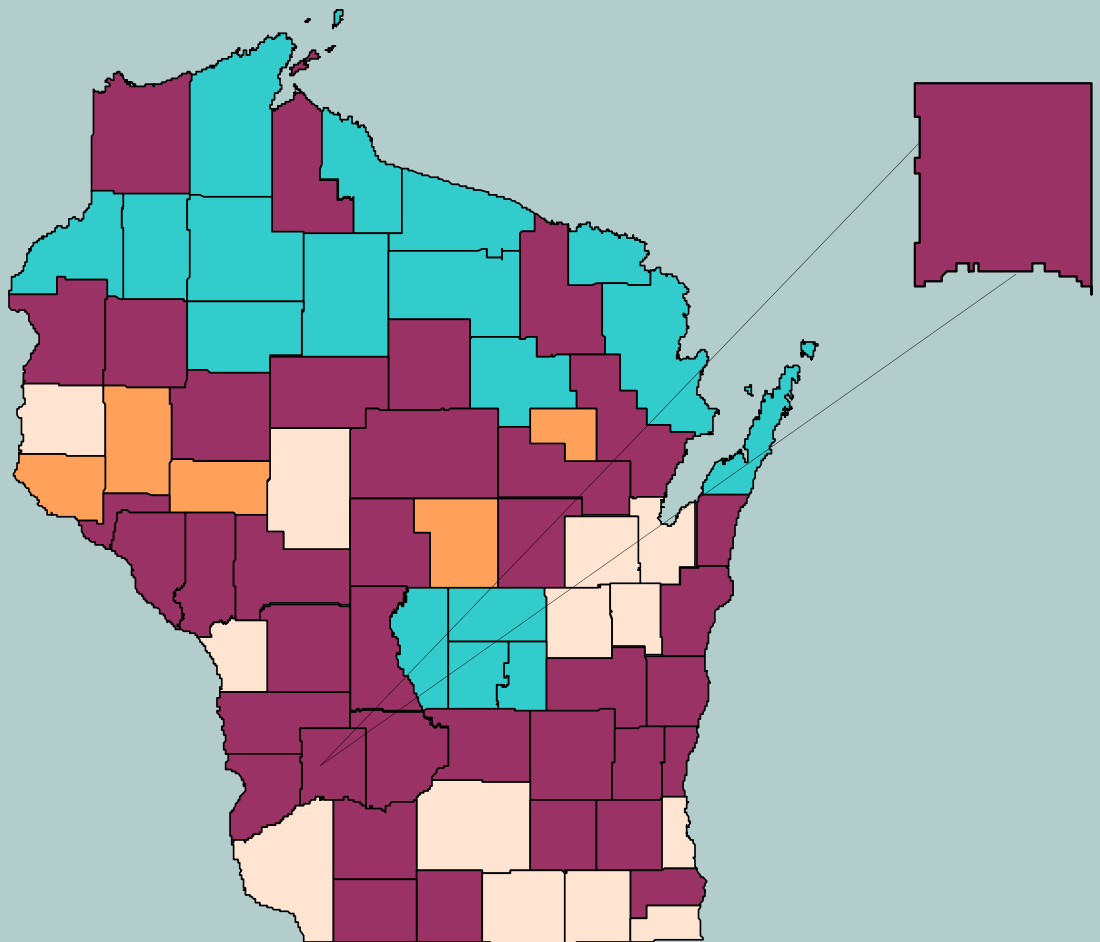


Richland County Workforce Profile

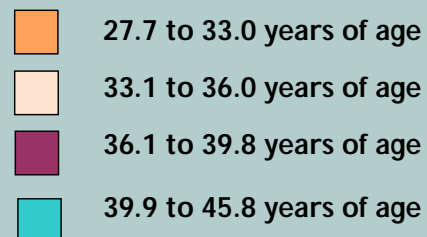
Median Age by County, 2000



Your complete
guide to the
state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

In 2001, the population of Richland County increased by a relatively modest half-percent. This increase of 85 residents over the course of 2000 was a slower pace than either the state of Wisconsin or United States, both of which grew by 0.7 percent in 2000.

The half-percent population increase in Richland County continues a trend of growth experienced in the county over the course of the past decade. Between the 1990 and 2000 Censuses, Richland County's population grew at a sluggish 2.3 percent rate. In comparison, the state and nation grew by 9.6 percent and 13.1 percent, respectively. Within this context, the county's growth in 2001 looks promising, as it suggests a projected decennial growth rate of 5.0 percent, over twice the rate experienced in the past decade.

When looking at population changes at the county level, there are a number of factors that contribute to growth or decline in the county's population. By examining the components of change in the county's population, which include births, deaths, and migration, we see that Richland County is heavily dependent on migration of residents into the county to in-

crease the county's population. Of the 85 new residents in the county in 2001, 73 were residents that moved into the county, while only 12 new residents were added as a result of the county's birth rate exceeding its death rate.

Turning our focus from the county's population to the population of the county's municipalities, we see that a number of the county's ten largest municipalities experienced a rate of growth greater than the county growth rate of 0.5 percent. In fact, of the ten largest municipalities, only one — the Village of Lone Rock experienced a decrease in population, losing seven residents in 2001. Among the fastest growing municipalities, the towns of Dayton and Buena Vista reported growth of at least one percent. Additionally, the City of Richland Center, the largest municipality in the county reported a growth rate of 0.8 percent, adding 39 new residents in 2000. Taking this growth in perspective, the growth experienced in Richland Center accounts for 45.9 percent of the total population increase in Richland County, which is somewhat surprising as the city's population only accounts for 28.6 percent of the county's population, which suggests that the city's

(Continued on page 2)

Total Population

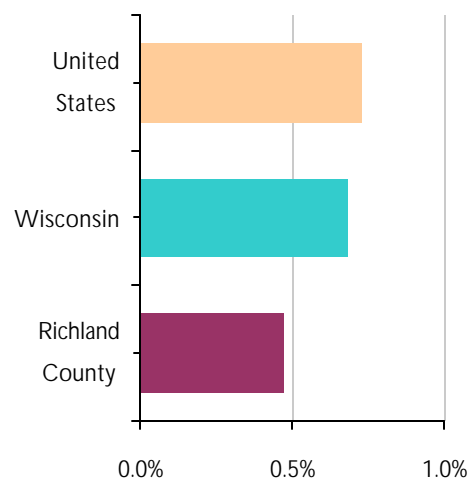
	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Richland County	17,924	18,009	0.5%

Ten Largest Municipalities

Richland Center, City	5,114	5,153	0.8%
Buena Vista, Town	1,575	1,599	1.5%
Richland, Town	1,364	1,365	0.1%
Lone Rock, Village	929	922	-0.8%
Dayton, Town	723	730	1.0%
Rockbridge, Town	721	725	0.6%
Ithaca, Town	648	652	0.6%
Orion, Town	628	630	0.3%
Richwood, Town	618	622	0.6%
Marshall, Town	600	603	0.5%

* Richland portion only

Population Growth 2000-2001



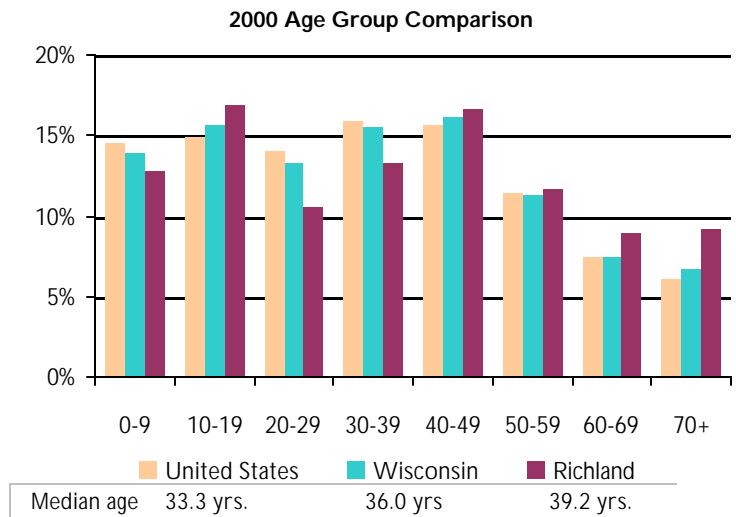
Source: Wisconsin Department of Administration, Demographic Services, 2002



growth rate should be slightly lower.

Looking again changes in the Richland County population, one of the interesting characteristics of change illustrated by data collected in the most recent census is the change in the county's housing stock, which again indicates a general pattern of growth in the county. Between 1990 and 2000, 1,141 new housing units were constructed, accounting for 14 percent of the county's housing stock. When comparing the total number of housing units in 1990 with the current total, we see that a total of 839 units have been added to the county's housing stock that do not replace units present in 1990. This results in a relatively more modest 11.5 percent housing growth rate in the county.

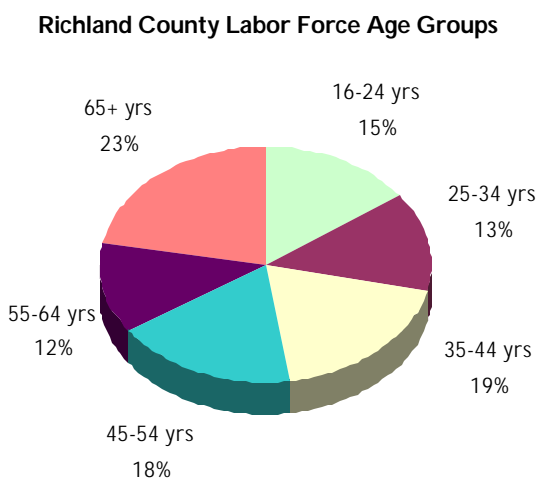
Another interesting aspect of the county's population given light by the most recent census is the composition of the Richland County population by various age cohorts. This distribution, as illustrated in the chart to the right suggests a number of interesting points about the county's current population and prospects for future growth. In 2000, the median age of the Richland County population was



Source: US Department of Commerce, Census Bureau, *Census 2000*

39.2 years, which is significantly older than either the state or national median of 36 and 33.3 years, respectively. A cursory glance at the distribution suggests that this high median age is the result of a higher percentage of persons aged 50 and older in the county than either the state or nation. Conversely, a lower representation of persons in the younger cohorts, particularly those aged 20-29 suggests that prospects for future growth are unclear.

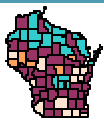
County Civilian Labor Force



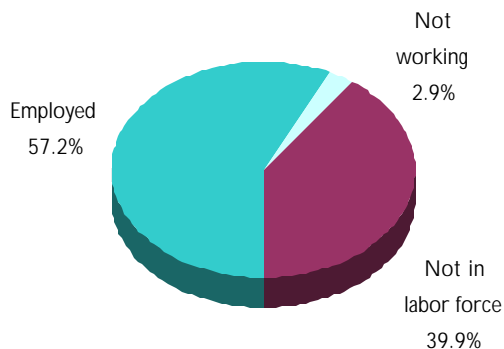
Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The discussion of the county's age distribution above provides a natural transition to a more focused look at the Richland County labor force. The distribution to the left represents the share of the county's labor force eligible population in rough increments. The first conclusion that can be drawn from an analysis of this distribution is that a majority of the labor force eligible population in the county (53 percent) is above the age of 45. The implication of this is that, over the next twenty years, these individuals, which represent the generations up to and including the Baby Boom will enter into retirement. As the number of those aged under 45 is less than those over 45, it is projected that the number of those exiting the workforce will surpass the number of those entering the workforce and

(Continued on page 3)

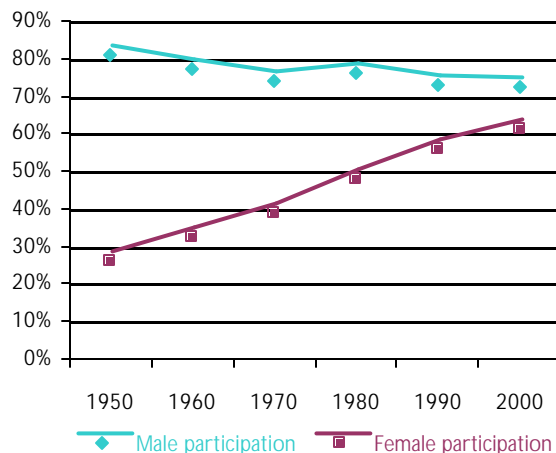


2001 Labor Force Participation



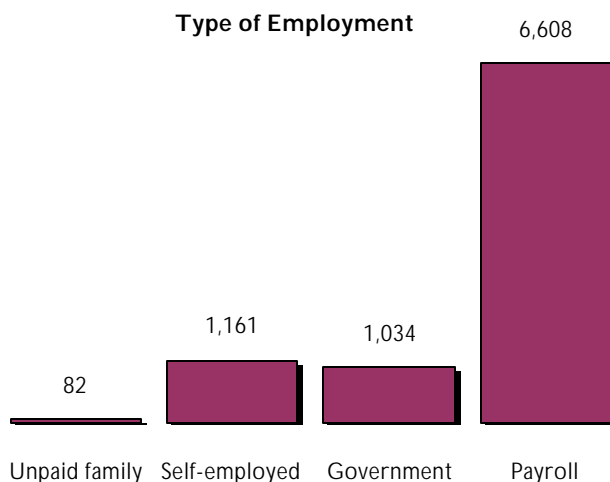
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Type of Employment



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

moving through the mature years of their working life, as represented by those aged 16 to 44 in this distribution. As a result of this disparity, the potential for a future labor shortage in the county is significant, and this labor shortage may present difficulties for businesses with plans to either relocate or expand in the county due to a lack of available labor.

The labor force is the sum of those employed and unemployed *that have actively sought work in the last month*. **Labor Force eligible must be 16 years or older and not a member of an institutional population** such as a prison or an armed forces member living on a military base. The term "unemployed" does not necessarily include all people who are not working. For example, those who are retired or choose not to work are not considered unemployed. The phrase "Not Working" in the graph below assumes unemployed for the purposes of this profile.

In 2001, the labor force participation rate of Richland County was 60.1 percent. This rate represents a modest 0.1 percent increase from 2000. In comparison, the state's labor force participation rate in 2001 was 73.5 percent, or 0.7 percent higher than 2000 and the nation's rate of 66.9 percent, which was actually 0.3 percent lower than the same rate in 2000. The disparity between the rate of participation in Richland County, as compared to both the state and nation is primarily a function of the demographics of the county. As discussed above, the county's population has a significantly higher percentage of individuals over the age of 60 than either the state or nation. As these workers are less likely to be active in the labor force than younger workers, the significant percentage of these individuals inflates the share of those individuals not in the labor force. This results in a labor force participation rate that's quite low, despite a relatively small percentage of the labor force (2.9 percent) that are not working.

Another interesting pattern that has occurred in the county's labor force is the shifting role of women and men in the workforce. Using data collected from the past five decennial censuses, the trend analysis above illustrates the change in the

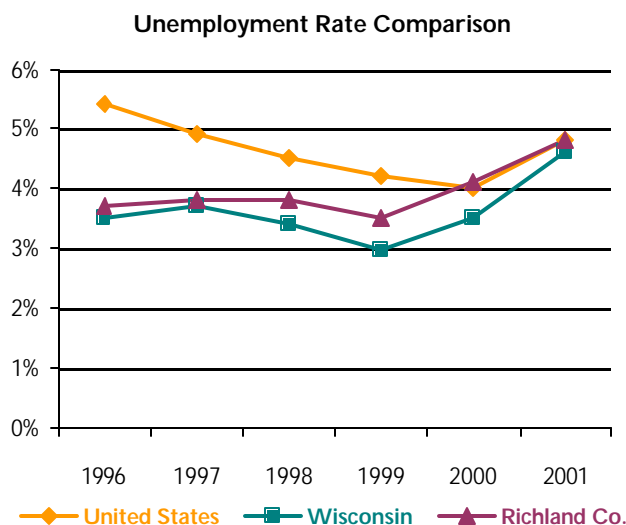
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State of Wisconsin - Richland County

male and female labor force participation rate since 1950. This analysis shows two divergent trends. Since 1950, the male labor force participation rate has declined in the county, decreasing by about ten percent. This decrease is the result of two economic factors. First, the agriculture sector in the county has experienced significant declines over the past half century, resulting in the closure of a large number of family farms. At the same time, the manufacturing sector, which has traditionally been the dominant source of non-farm employment in the county has declined.

Conversely, the growth in female participation in the labor force has come as a result of a number of social factors which have been discussed in great detail in a variety of media. Additionally, a number of concrete economic factors have led to a growing number of women in the workplace. As a result of job losses in traditional industries in the past thirty years, the number of dual income households in the county have increased significantly. Additionally, over the past decade, the growth of career opportunities in non-traditional, service-based industries has surpassed the decrease in traditional industries,

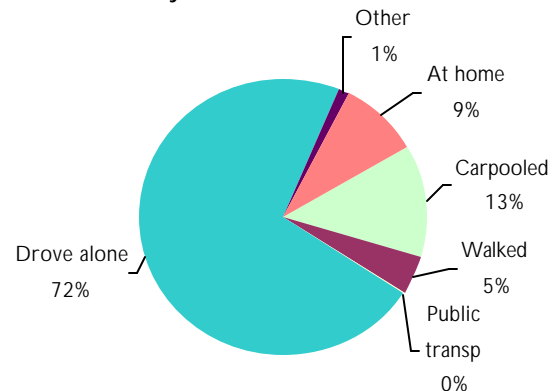


Richland County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	8,800	8,900	8,900	8,200	8,300	8,400
Employed	8,500	8,600	8,500	7,900	8,000	8,000
Unemployed	330	340	340	280	340	400
Unemployment Rate	3.7%	3.8%	3.8%	3.5%	4.1%	4.8%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002

County Travel-to-Work Patterns



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

again drawing more women into the workforce. Finally, despite the fact that the size of the county's labor force has decreased over the past five years while employment has increased, a smaller number of opportunities have existed amidst greater competition between candidates of both genders.

Another important facet of the labor force illustrated through the census is the distribution of workers according to their primary means of transportation, as illustrated above. While detailed commuting patterns will not be updated until later this year, the primary means of transportation remains the automobile, with 90 percent of the county's population either driving alone or carpooling for a majority of their travels.

Shifting our focus from the discussion of the employed labor force to briefly consider changes in the unemployed labor force, the graph to the left shows that the unemployment rate in the county, nation, and state has fluctuated significantly over the past five years. Due to changes in the county's industry base, unemployment has increased since 1999.



County Industry Employment

Nonfarm Wage and Salary Employment

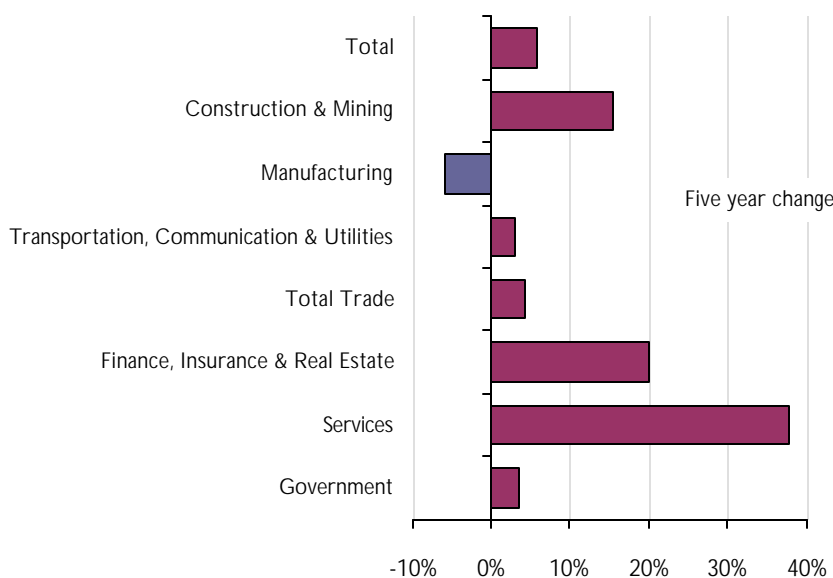
	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	5,614	5,798	5,942	5,902	5,956	5,943	-0.2%	5.9%
Goods Producing	1,984	2,045	2,105	2,060	1,988	1,898	-4.5%	-4.4%
Construction & Mining	142	143	141	186	189	164	-13.2%	15.5%
Manufacturing	1,842	1,902	1,963	1,874	1,798	1,733	-3.6%	-5.9%
Durable	1,444	1,478	1,535	1,434	1,395	1,362	-2.4%	-5.7%
Nondurable	397	424	428	440	403	372	-7.9%	-6.5%
Service Producing	3,630	3,753	3,838	3,842	3,968	4,045	1.9%	11.4%
Transportation, Communications & Utilities	156	139	139	149	153	161	5.4%	3.1%
Total Trade	1,390	1,375	1,345	1,391	1,509	1,450	-3.9%	4.3%
Wholesale	242	235	210	204	192	186	-2.8%	-23.2%
Retail	1,148	1,139	1,136	1,188	1,317	1,264	-4.0%	10.1%
Finance, Insurance, and Real Estate	176	188	193	197	199	211	6.1%	20.0%
Services & Misc.	721	843	988	1,000	950	992	4.4%	37.6%
Total Government	1,187	1,208	1,172	1,106	1,158	1,231	6.3%	3.7%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

Looking again at employment levels in Richland County, an analysis of employment trends among the major industry sectors in the county shows a number of divergent trends. Over the course of 2001, total employment in the county decreased by 13 net positions, or 0.2 percent. This decline in employment was a result of job losses in a number

of key sectors, including construction and mining (-13.2 percent), manufacturing (-3.6 percent), and wholesale and retail trade (-3.9 percent across both industries). These declines outpaced significant growth in a number of industries, including the public sector, finance, insurance, and real estate, transportation, communications, and utilities, and the service sector, all of which experienced a growth rate above four percent.

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

When taking these changes in employment in a greater perspective, we see a significantly different pattern when examining employment changes over the past five years. Between 1996 and 2001, all industry sectors, with the exception of manufacturing experienced increases in employment, as represented by the chart to the left. While the significant growth rate experienced in service sector employment (37.6 percent) is significant, the issue of scale must be considered. While service firms added 271 new positions in this period, manufacturing firms cut nearly half that number of positions, and the sector continues to employ nearly twice as many workers, despite decreasing by 5.9 percent.



Top 10 Employers

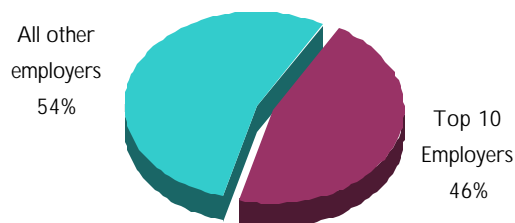
Company	Product or Service	Size
Allen-Bradley Co. LLC	Electrical Equipment Manufacturing	500-999
County of Richland	County Government Services	250-499
Wal-Mart Associates Inc.	Department Stores	250-499
Richland School District	Public School District	250-499
The Richland Hospital Inc.	General Medical and Surgical Hospitals	100-249
Schneider Fuel & Supply Co	Foundries	100-249
S & S Cycle Inc.	Automotive Parts Manufacturing	100-249
Ryan Foods North Central Inc.	Food Stores	100-249
Kaul Tronics Inc.	Electrical Equipment Manufacturing	100-249
Merkle-Korff Industries Inc.	Motors & Generators	100-249

Top 10 Industry Groups

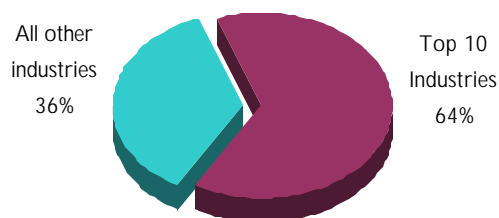
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Electronic & other Electric Equipment	3	776	-66	-86
Health Services	17	557	-5	53
Educational Services	5	513	30	-47
Eating and Drinking Places	24	365	-31	-1
General Merchandise Stores	*	*	*	*
Food and Kindred Products	6	328	42	150
Automotive Dealers & Service Stations	19	262	27	66
Transportation Equipment	*	*	*	*
Primary Metal Industries	*	*	*	*
Social Services	10	200	49	73

*data suppressed to maintain confidentiality

**Top 10 Employers' Share of
Nonfarm Employment**



**Top 10 Industry Group Share
of Nonfarm Employment**

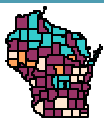


Source: WI Department of Workforce Development, ES-202 file tape, December 2001

An analysis of the listing of the ten largest employers in Richland County again illustrates the trend towards growing economic diversity among the county's industries. The largest employer in the county, Allen-Bradley, which produces environmental control products represents the traditional focus of the county's economy. Among the other large firms in the area, a number of firms are also engaged in manufacturing concerns, including

Schneider Fuel and Supply, S & S Cycle, and Kaul Tronics, Inc. and Merle-Korff Industries. The presence of firms such as Allen-Bradley, Kaul Tronics, and Merle-Korff suggest that an industry cluster in the electronic components sector exists in the county. One of the aims of the Local Workforce Planning Section in the coming year is to conduct more detailed research on these industry clusters

(Continued on page 7)



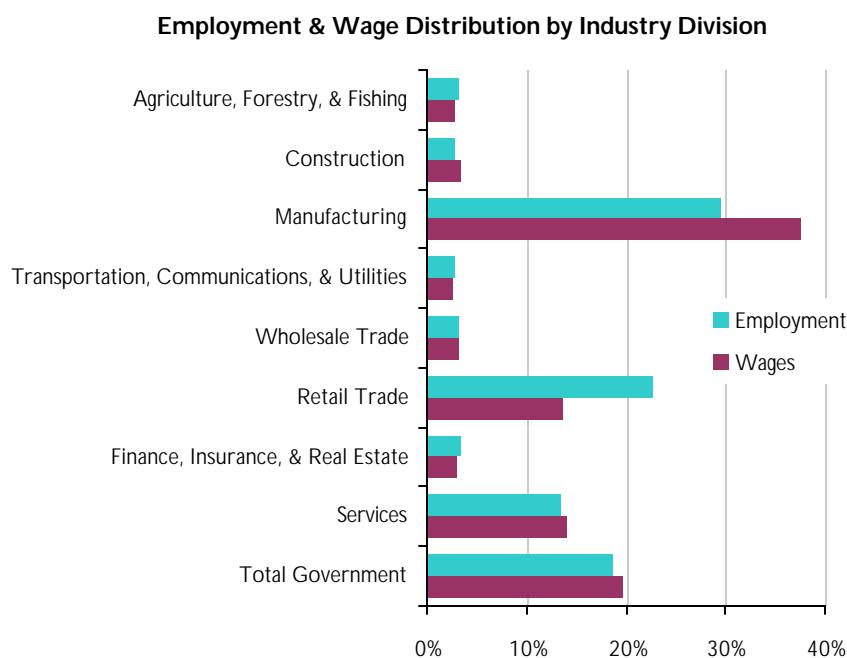
State of Wisconsin - Richland County

with the intent that the findings of this research will be shared in future workforce profiles.

The other large employers in the county suggest a trend towards industry diversification. Of particular interest is the strength of retail trade, as represented by Wal-Mart Associates and Ryan Foods North Central. The other industry sector with a strong representation among the largest industries in the county is government services, as represented by Richland County and the Richland School

District.

The dominance of these primary firms and industries in the county is significant. From an analysis of employment records from March, 2001, nearly half (46 percent) of the workers employed in the county are employed by one of the ten largest firms, and nearly two thirds (64 percent) of that workforce are employed by one of the ten largest industry sectors.



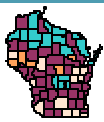
Another facet of the county's industries and economy that has a significant bearing on the county's labor force is the wages paid by firms in the area. In 2001, the annual average wage across all industries in Richland County was \$22,955. This average wage was 25.8 percent below the state average of \$30,922. An analysis of average wages in specific industries shows a similar trend of wages well below the state average. Of particular interest is the wage level paid to manufacturing workers, which is nearly 27 percent below the state average, and wages for workers in the finance, insurance, and real estate industry, which are less than half the state average.

Annual Average Wage By Industry Division

	Richland Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 22,955	\$ 30,922	74.2%	0.2%	22.2%
Agriculture, Forestry, & Fishing	\$ 20,117	\$ 22,565	89.2%	2.1%	71.4%
Construction	\$ 27,115	\$ 39,011	69.5%	0.3%	19.3%
Manufacturing	\$ 29,074	\$ 39,739	73.2%	-2.7%	27.2%
Transportation, Communications, & Utilities	\$ 22,270	\$ 36,639	60.8%	3.2%	43.3%
Wholesale Trade	\$ 22,454	\$ 40,521	55.4%	0.8%	32.9%
Retail Trade	\$ 13,913	\$ 14,596	95.3%	4.9%	32.5%
Finance, Insurance, & Real estate	\$ 19,644	\$ 40,933	48.0%	8.5%	8.3%
Services	\$ 24,015	\$ 28,775	83.5%	4.4%	22.9%
Total Government	\$ 24,103	\$ 33,785	71.3%	0.0%	13.6%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*

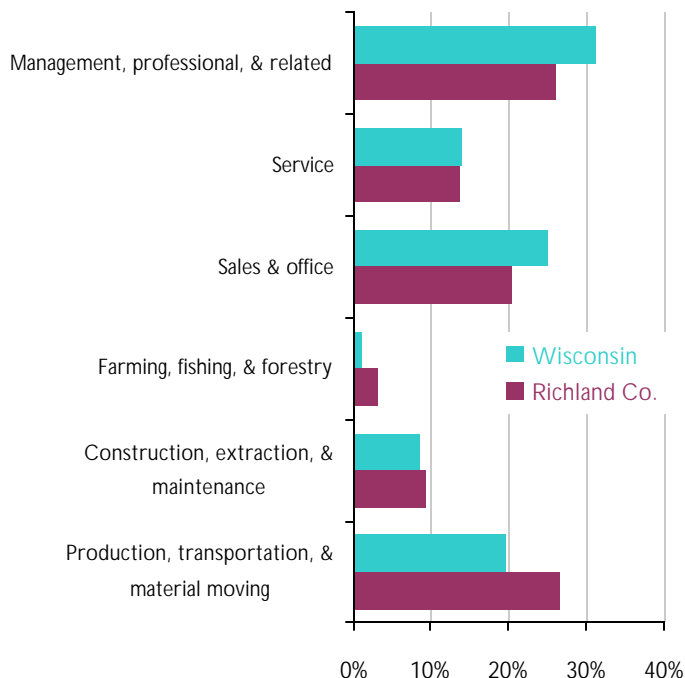


Occupation and Education Characteristics of County Population

Among the number of other characteristics of the Richland County workforce that warrant discussion, two bear a significant impact on the county's economy. Both the distribution of occupational groups in the workforce and the educational attainment of the population restate the traditional focus of the county's industries and economy.

The occupational distribution of the county's working population, as detailed in Census 2000 shows a number of interesting trends. First, as compared to the state, as a whole, Richland County has a significantly higher percentage of workers engaged in production, transportation, and material moving occupations. This group, which represents over a quarter of the working population reflects the significant importance of manufacturing industries in the county. Additionally, a greater percentage of workers are employed in construction, extraction, and maintenance positions, as well as in farming, fishing, and forestry in Richland County than in the rest of the state. Conversely, a lesser percentage of workers are engaged in management, professional, sales, office, and service occupations in the county than in the state. However, the growth in service sector industries is reflected in the relatively high percentage of workers in service occupations, whose representation in the county equals the state percentage. It is important to note at this point

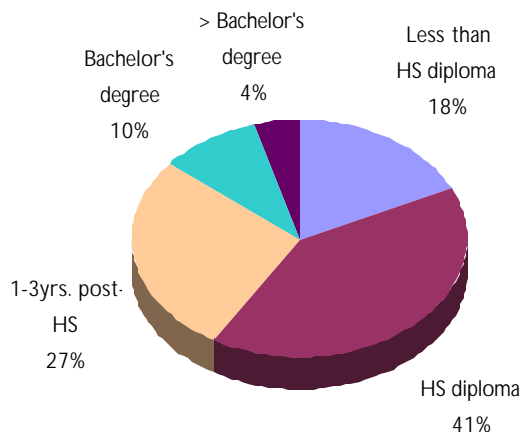
Employment by Occupation Group: 2000



US Department of Commerce, Census 2000

that these occupations cannot be correlated with specific industries. Therefore, any conclusions drawn with respect to industry growth are difficult to make and inexact.

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

The educational attainment of the Richland County population aged 25 and older is represented in the distribution to the left. The first immediate conclusion to be drawn from this distribution is the high percentage of the population that lists the earning of a high school diploma as their highest level of education. This high percentage is common in areas with a strong concentration in manufacturing. Additionally, the significant percentage of the population who had completed between one and three years of education following high school, in contrast to those who have earned at least a bachelor's degree, is also typical of an economy with a traditional focus. It should be noted that the presence of the high number of individuals completing some post-secondary education can be attributed, in part, to the strong technical college system in the state.

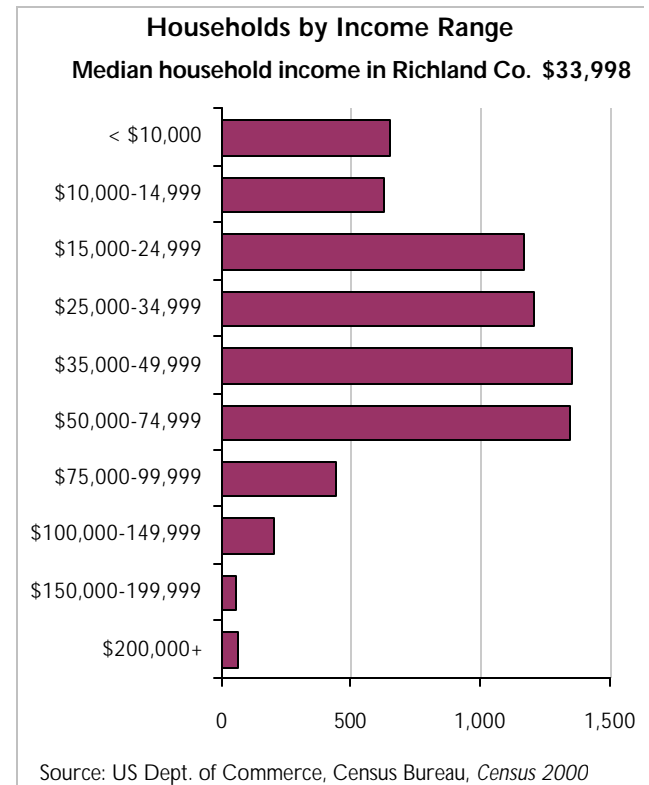


County Income Information

A final critical indicator of the health of the Richland County economy is the income level, or level of economic wealth present in the county. This can be measured through a variety of means. The most popular means is through the calculation of the median household income.

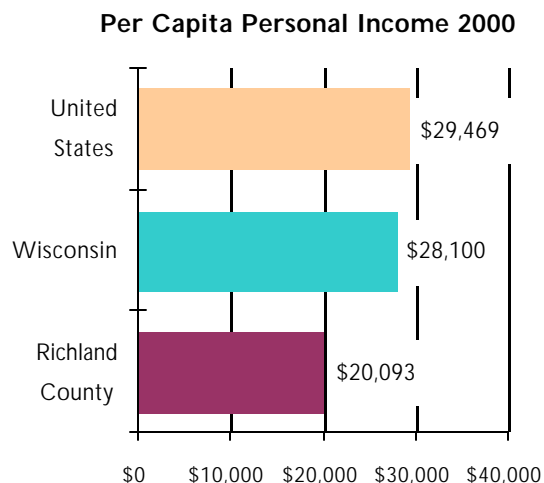
In 2000, the median household income of Richland County, which reflects earnings in 1999 was \$33,998. This is significantly lower than the state median level of \$43,791. Again, it should be stated here that the cost of living in Richland County is significantly lower than the state average, again suggesting that the disparity between the county and state median is not as great as the numbers state. However, an analysis of the distribution of income in the county, as illustrated in the chart to the right shows some trends that cause some concern. Of particular interest is the relatively low households with incomes above \$100,000. Conversely, the number of households with incomes less than \$25,000 is quite high. In counties with a high median household income, this distribution is reversed.

Another way to consider the income level present in Richland County is to look at the number of individuals living in poverty in the county. In 1999, 7.2 percent of all families, 10.1 percent of individuals, and 21.7 percent of single mother families lived in poverty. All of these percentages are significantly



higher than the state average.

A final measure of income commonly used is per capita personal income, which accounts for sources of income other than wages. In 2000, the PCPI of Richland County was \$20,093, which is significantly lower than either the state or national level.



Source: US Department of Commerce, Bureau of Economic Analysis

